

**COMMUNITY DEVELOPMENT AUTHORITY**  
**February 11, 2019**

**CDA20190211-1**  
**UNAPPROVED**

A meeting of the Community Development Authority of the City of Cedarburg, Wisconsin, was held on Monday, February 11, 2019 at 6:00 p.m. at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers.

The meeting was called to order by Mayor Mike O'Keefe at 6:02 p.m.

Roll Call: Present - Mayor Mike O'Keefe Council Member Jack Arnett, Dale Lythjohan, and Eric Stelter

Excused - Andy Dettro, Eric Arvold and Joe Kassander

Also present - City Administrator/Treasurer Christy Mertes, City Attorney Michael Herbrand, Council Members Rick Verhaalen, Garan Chivinski, and Patricia Thome, Chris Bonniwell and Nicki Dudei of GHD, DJ Burns of Oliver Fiontar

**STATEMENT OF PUBLIC NOTICE**

Mayor O'Keefe acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

**APPROVAL OF MINUTES**

Motion made by Mr. Stelter, seconded by Council Member Arnett, to approve the minutes of the October 17, 2018 meeting. Motion carried with Mr. Kassander, Mr. Dettro, and Mr. Arvold excused.

**NEW BUSINESS**

**Update on Amcast Remediation Project; and Possible Action Thereon**

DJ Burns of Oliver Fiontar presented pictures showing the progress on the clean-up of the site, both the north and south site buildings.

Council Member Arnett asked how working with the DNR has been and Mr. Burns stated that they are working well together. The EPA manager on the project has changed but they are still moving forward on the project.

Council Member Arnett asked about the progress of the asbestos abatement and Mr. Burns replied that it is 60-66% completed. The crews have been working inside during the bad weather. They could be done in three to four weeks if the weather cooperates.

Mr. Lythjohan asked about any future grants for the project. Mr. Burns stated he is looking into brownfield grants through the State. He has asked City Administrator/Treasurer Mertes for total expenditures to date for the project. Mr. Burns is willing to look at all opportunities available. He is asking the DNR to split the property into two sites to possibly receive more funding since grants are usually capped. Mr. Burns is going to try to submit for the grants after June when the new governor's budget is submitted.

**Discussion of Amendment to Developer's Agreement; and Possible Action Thereon**

Attorney Herbrand explained that the original agreement included the use of an escrow agent. The City has been making payments to the developer without the escrow agent/title company oversight. After several attempts to come to an agreement with the title company staff is asking the CDA to consider saving approximately \$18,000 over three years and eliminate the escrow agent requirement from the agreement. There is still staff and environmental consultant oversight of the invoices submitted for reimbursement. The title company does not offer any additional knowledge of environmental issues to the process. Mr. Burns supports this change.

Mr. Stelter asked if the City is creating liability by paying the invoices directly. He thought the CDA should be paying the bills; that is why it was created. Attorney Herbrand will consult with Attorney Sweeney to verify no liability is being assumed.

Attorney Herbrand continued with the second issue covered by the amendment. On the bottom of exhibit C, there is an item for City services (project site snow removal/weed control/etc. during initial 3 years of remediation). There are laws that prevent the City from providing these services such as not competing with the private companies. The amendment provided to the CDA includes a change to allow the Developer reimbursement for snow removal and mowing of weeds so as not to violate the City's weed ordinance.

Council Member Arnett asked what constitutes office space. Mr. Burns stated the public sidewalk on the south site around the office building which he plans to occupy by the end of 2019.

Mr. Burns shared quotes for lawn care of \$5,000 per year and \$8,700/year. He also received quotes for snow removal of \$19,500 per year and \$22,500 per year.

Attorney Herbrand explained that Exhibit C was included in the agreement as a cost timeline. He felt that if the CDA and staff would have had this discussion during our initial yearlong negotiation process, we would have included an amount for this item. Once any part of the property is occupied or sold, the snow removal for those sites would no longer be eligible for reimbursement. The funding would be in place from September 2018 through September 2021.

Mr. Stelter asked if there were previous costs to reimburse; Mr. Burns responded yes. Snow removal will only occur where access is necessary for remediation work. Mr. Burns stated he would absorb the cost of the lawn maintenance.

Council Member Arnett suggested funding of \$10,000 for the 2018-19 season, \$20,000 for 2019-2020 and \$20,000 for 2020-2021. The \$50,000 would be a not to exceed amount for the three years. This would then increase the total gap financing by \$50,000.

Motion made by Mr. Stelter, seconded by Mayor O'Keefe, to approve the proposed First Amendment to the Developer Agreement and increase the project gap funding by an amount not to exceed \$50,000 for snow removal. Motion carried with Mr. Kassander, Mr. Dettro, and Mr. Arvold excused.

**Consider Purchasing Life Insurance Policy for Amcast Project; and Possible Action Thereon**

Staff received a preliminary quote from a local agency and the cost for \$3 million in coverage would be \$730 per month. The members asked staff to continue to research key man insurance.

**ADJOURNMENT**

Motion made by Mr. Lythjohan, seconded by Mr. Stelter, to adjourn the meeting at 6:58 p.m. Motion carried unanimously with Mr. Kassander, Mr. Dettro, and Mr. Arvold excused.

Christy Mertes  
City Administrator/Treasurer